

Social Security Reform. Higher education lobbying groups discovered to their surprise that a House-passed social security reform measure (HR 1900) would have required payment of Social Security taxes on contributions to the TIAA/CREF pension plan used by many campuses (and by ALA). Not a recommendation of the National Commission on Social Security Reform on which HR 1900 was based, the provision was apparently a last-minute staff addition, and its ramifications were not clear until after House passage. Fortunately, on the Senate side the provision was dropped, thanks to intensive work by the American Council on Education and other groups, and to an amendment in Senate Finance Committee by Sen. Daniel Moynihan (D-NY). The Senate passed the bill March 23 without the provision, and the next day House-Senate conferees took the Senate approach.

Under current law, pension contributions are not taxed for Social Security if they are involuntary contributions and if they do not exceed a certain amount defined by law. The House version would have required employers and employees to pay Social Security taxes on all pension contributions, whether or not employees could opt to receive the money as wages. In other provisions of HR 1900, state government agencies can no longer opt out of the Social Security system; those which have withdrawn have the option to rejoin. Beginning January 1, 1984, educational institutions and nonprofit organizations must participate.

Import Duties Lifted. U.S. import duties on a variety of educational materials have been removed by President Reagan for a trial period of 30 months. The Presidential Proclamation (Feb. 16 Federal Register, pp. 6883-85) affects materials and equipment for the blind and physically handicapped, scientific apparatus, and all audio, visual, and microform materials, such as films, records, videotapes, computer software, and microfiche. The Proclamation was issued in response to Senate approval as an international treaty in May 1982 of the Nairobi Protocol to the Florence Agreement and to the passage of the Educational, Scientific and Cultural Materials Importation Act (PL 97-446) signed by President Reagan on January 12, 1983.

The 30-month trial period authorized by the Act is designed to encourage other countries to adhere to the Protocol and its more liberal option, Annex CI, relating to audio, visual, and microform materials. By using CI, a country drops all import barriers to U.S. and other instructional materials. A number of countries including members of the European Economic Community have already applied the Protocol, but only on audio, visual, and microform materials certified to be of an educational, scientific, or cultural nature and imported by designated nonprofit institutions.

The Protocol contains a number of other improvements over the original Florence Agreement. One of the most important for libraries in countries where foreign exchange is controlled and limited was suggested by IFLA. Article IV of the Protocol, which is optional, requires that import licenses and/or foreign exchange be made available for the importation of books and publications by the following types of libraries: national, research, academic, public, school, special, hospital, prison, and for the blind.

So far, the U.S. has not formally adopted the Protocol, which has to be done by depositing it with the United Nations, but all steps prior to that have been completed. The formal depositing at the U.N. is being delayed in the hope that other countries will reciprocate the President's Proclamation. These developments help to implement one of the resolutions of the White House Conference on Library and Information Science.